

Issue Brief – Follow-up on Prior Year Intent Language

DEPARTMENT OF HEALTH

DOH-09-02

SUMMARY

Intent language may be adopted by the Legislature to explain or place conditions on the use of funds. Intent language is binding for one year and may not contradict or change statutory language.

OBJECTIVE

The objective of this issue brief is to determine if the Department of Health complied with the intent language adopted by the Legislature during the 2007 General Session.

DISCUSSION AND ANALYSIS

The following is a list of legislative intent from the 2007 General Session with the agency's response. The Analyst has no concerns of non-compliance with any intent language issued last year.

1. H.B. 150, Requires a Study of Contract Providers:

It is the intent of the Legislature that the Office of the Legislative Fiscal Analyst conduct a study of contract rates of local and private providers for the Departments of Health and Human Services and submit a written report to be presented with recommendations to the Health and Human Services Appropriations Subcommittee by the 2008 General Session.

Agency Response: The Legislative Fiscal Analyst's Office conducted a study of contract providers and reported to Executive Appropriations October 16, 2007. The Analyst will also report to the Health and Human Services Appropriations Subcommittee during the 2008 General Session.

2. S.B. 1, Medicaid Interim Committee:

It is the intent of the Legislature that the Medicaid Interim Committee be authorized to meet for up to six meetings during the 2007 interim period to continue the efforts begun during the 2006 interim period.

Agency Response: The Medicaid Interim Committee met 6 times from July 20 to December 12, 2007 (see the 2007 Legislative Interim Report produced by the Office of Legislative Research and General Counsel for an outline of Committee recommendations and topics covered).

3. S.B. 3, Electronic Medical Records:

It is the intent of the Legislature that \$90,000 appropriated to the Department of Health be used for Electronic Medical Records.

Agency Response: These funds are to be contracted through and managed by the Utah Medical Association.

4. H.B. 150, Non-lapsing Authority for Primary Care Grants Program:

Under Section 63-38-8 of the Utah Code, the Legislature intends that up to \$250,000 of Item 95 of House Bill 1, State Agency and Higher Education Base Budget Appropriations, 2007 General Session, appropriated for Primary Care Grants Program not lapse at the close of Fiscal Year 2008.

Agency Response: All non-lapsing funds will be distributed to Community Health Centers, Local Health Departments and other not-for-profit organizations.

5. H.B. 150, Non-lapsing Authority for Bureau of Health Facility Licensure, Certification and Resident Assessment:

Under Section 63-38-8 of the Utah Code, the Legislature intends that up to \$210,000 of Item 95 of House Bill 1, State Agency and Higher Education Base Budget Appropriations, 2007 General Session, from fees collected for the purpose of plan reviews by the Bureau of Health

Facility Licensure, Certification and Resident Assessment not lapse at the close of Fiscal Year 2008.

Agency Response: Funds are used for architect staff and other plan reviewer/site inspectors. Tremendous growth in this area due to number and complexity of projects requires addition of second architect and full time reviewer.

6. H.B. 150, Non-lapsing Authority for People With Bleeding Disorders:

Under Section 63-38-8 of the Utah Code, the Legislature intends that up to \$50,000 of Item 95 of House Bill 1, State Agency and Higher Education Base Budget Appropriations, 2007 General Session, of unused funds appropriated for Health Systems Improvement assistance for people with bleeding disorders not lapse at the close of Fiscal Year 2008.

Agency Response: Funding covers the costs of obtaining hemophilia services or the cost of insurance premiums covering hemophilia services.

7. H.B. 150, Non-lapsing Authority for Civil Penalty Monies from Childcare and Health Care Provider Violations:

Under Section 63-38-8 of the Utah Code, the Legislature intends that civil penalties money collected for Item 95 of House Bill 1, State Agency and Higher Education Base Budget Appropriations, 2007 General Session, from childcare and health care provider violations not lapse at the close of Fiscal Year 2008.

Agency Response: Staff training program implemented with funding from violations.

8. S.B. 3, Purchase of an Antiviral Medication Stockpile:

It is the intent of the Legislature that \$750,000 appropriated to Health Systems Improvement be used to purchase an antiviral medication stockpile.

Agency Response: The Department has purchased approximately 54,047 courses of Tamiflu and 13,511 courses of Relenza to be used for treatment of patients in the event of a pandemic influenza outbreak.

9. S.B. 3, Grant to the Maliheh Free Clinic:

It is the intent of the Legislature that the Department of Health grant \$250,000 to the Maliheh Free Clinic.

Agency Response: The Maliheh Free Clinic contracted for \$250,000 to strengthen health care services to low-income and underinsured individuals.

10. S.B. 3, Grant to the Moab Hospital:

It is the intent of the Legislature that the Department of Health grant \$1,000,000 to the Moab Hospital.

Agency Response: The Moab Hospital received \$1,000,000 to assist with the construction of a new emergency room

11. S.B.1, Non-lapsing Authority for Laboratory Equipment:

Under the terms of UCA 63-38-8.1, the Legislature intends to make nonlapsing, Item 91, Chapter 1, Laws of Utah 2006, Volume 1. Expenditure of these funds is limited to \$250,000 for laboratory equipment, computer equipment and/or software, and building improvements.

Agency Response: Equipment has been ordered.

12. H.B.150, Non-lapsing Authority for Drug Prevention and Reduction Programs:

Under Section 63-38-8 of the Utah Code, the Legislature intends that up to \$500,000 of Item 98 of House Bill 1, State Agency and Higher Education Base Budget Appropriations, 2007 General Session, for funding of the alcohol, tobacco, and other drug prevention reduction, cessation, and control programs not lapse at the close of Fiscal Year 2008.

Agency Response: Funds will be used to fund one-time projects such as education and resource kits and to fund needed survey projects.

13. H.B.150, Non-lapsing Authority for Medicaid Management Information System:

Under Section 63-38-8 of the Utah Code, the Legislature intends that up to \$500,000 of the funds appropriated to Health Care Financing for funding of the Medicaid Management Information System not lapse at the close of Fiscal Year 2008.

Agency Response: We have been working with CMS on this and sent them a draft of an Advanced Planning Document, which is required for a higher federal matching percentage. They are reviewing the proposal right now.

14. H.B.150, Required Reporting for the Consolidation of the Medicaid Eligibility System:

It is the intent of the Legislature that the Departments of Health and Workforce Services provide progress reports regarding the consolidation of the Medicaid Eligibility System to the Health and Human Services and Commerce and Workforce Services Joint Appropriations Subcommittees when requested. A full report is to be presented to Executive Appropriations Committee on or before the November 2007 meeting. This report is to include actions taken, plans developed, and costs and benefits of the eligibility system consolidation.

Agency Response: The Department of Health and the Department of Workforce Services presented at the Commerce and Workforce Services Joint Appropriations Subcommittee during August and presented to the Health and Human Services Joint Appropriations Subcommittee in September on the issue. The Executive Appropriations Committee received a report for their November 2007 meeting.

15. H.B.150, Monitoring Utah's Medicaid Prescription Drug Program:

It is the intent of the Legislature that the Office of the Legislative Fiscal Analyst shall monitor the caseload, utilization, inflation, revenue and expenditures of Utah's Medicaid Prescription Drug Program. It is further the intent of the Legislature that the Medicaid pharmacy program be listed as a separate and distinct program within the Medical Assistance Program in the FY 2009 budget.

Agency Response: The Medicaid pharmacy program has been listed as a separate and distinct program in the FY 2009. The Fiscal Analyst has been monitoring Utah's Medicaid Prescription Drug Program and has an Issue Brief on the topic, see DOH-09-05 "Follow up on SB 42."

16. H.B.150, Adult Vision Program:

It is the intent of the Legislature that the Department of Health apply for a federal waiver for a capitated adult vision Medicaid program. It is further the intent of the Legislature that if the waiver is approved, that \$174,000 appropriated to the Department of Health Medical Assistance Program be used to fund the waiver capitated adult vision program.

Agency Response: A letter was sent to the federal government in the spring on the waiver. The federal government replied that such a waiver would not be approved. We have received no legislative direction for proceeding.

17. S.B.3, Increase in Medicaid Provider Reimbursement Rates:

It is the intent of the Legislature that \$5,267,900 of the General Fund appropriated to the Medicaid Base Program be used to increase Medicaid provider reimbursement rates. The

General Fund allocation is to be distributed as follows: \$1,500,000 for Hospitals; \$1,191,000 for Physicians; \$1,830,500 for mandatory dental populations; and \$746,400 for "Other Providers" as listed by the Appropriations Subcommittee. These funds include the savings estimated from "Preferred Prescription Drug List" (Senate Bill 42, 2007 General Session) and will be matched with federal funds.

Agency Response: All provider rate increase were in place by October 1, 2007.

18. S.B.3, Section Funding Direction for Eligibility Consolidation FTE's:

It is the intent of the Legislature that funds transferred to the Department of Workforce Services as part of the Eligibility Services consolidation are to be used to fund the compensation package of the transferred FTE.

Agency Response: We transferred our eligibility staff and the money effective at the beginning of this fiscal year.

19. H.B. 150, Cervical Cancer Awareness Campaign:

It is the intent of the Legislature that \$25,000 in General Funds appropriated to the Department of Health for the Community and Family Health Services be used to create a public awareness campaign to educate parents, health care providers, and women about the causes and risk factors associated with cervical cancer and the prevention of cervical cancer.

Agency Response: Ongoing funding granted to educate the public on cervical cancer risk was used for program staff time and for the creation and dissemination of an information packet to 3,200 physicians statewide.

20. H.B. 150, Children's Health Insurance Program Funding:

It is the intent of the Legislature that the \$2,000,000 in additional one-time General Fund Restricted – Tobacco Settlement Account and the matching Federal Funds appropriated to the Children's Health Insurance Program be used to expand the program enrollment.

Agency Response: The Department opened CHIP enrollment on July 2, 2007. The Department projects that there is sufficient funding to keep enrollment open during the entire fiscal year. Based on current enrollment levels, the Department estimates it will not spend all of the one-time funding.